

## Message Text

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63  
ORIGIN NEA-03

INFO OCT-01 ISO-00 /004 R

66011  
DRAFTED BY: NEA/AFN:DLJAMESON  
APPROVED BY: NEA/AFN:WSWEISLOGEL  
----- 066228

P 292224Z JUL 76  
FM SECSTATE WASHDC  
TO AMEMBASSY TUNIS PRIORITY

LIMITED OFFICIAL USE STATE 157767

FOLLOWING REPEAT STATE 157767 SENT ACTION ALGIERS DTD 25 JUN

QTE

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E.O. 11652: NA  
TAGS: BAGB, BEXP, AG  
SUBJ: AGRIBUSINESS: ARID LAND DEVELOPMENT IN ALGERIA:  
TSS FOLLOWUP

REF: ALGIERS 1235 1361 AND 1453: STATE 6578

1. CONCERNED USG AGENCIES (COMMERCE, AGRICULTURE, STATE  
AND AID) ARE IN AGREEMENT THAT ENCOURAGEMENT OF US INPUT  
TO ALGERIAN AGRICULTURAL DEVELOPMENT IS DESIRABLE AND  
WOULD LIKE TO PURSUE PROPOSAL MADE BY GOA FURTHER. HOWEVER,  
SINCE INFORMATION PROVIDED BY GOA IN ITS LETTER AND NOTE  
IS VERY GENERAL IN NATURE IT IS DIFFICULT TO ASSESS WITH  
ASSURANCE THE SCOPE OF SUCH AN AGREEMENT OR THE PROSPECTS  
FOR ITS SUCCESS. ALSO IT IS POSSIBLE THAT THE ALGERIANS  
HAVE EXPECTATIONS WHICH ARE BEYOND OUR CAPACITY TO FULFILL.  
THEREFORE BEFORE ARRIVING AT ANY DECISION TO NEGOTIATE AN  
AGREEMENT OR PROTOCOL WE BELIEVE IT IMPORTANT THAT THE GOA  
UNDERSTAND CLEARLY THE LIMITED ROLE WHICH THE USG COULD  
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PLAY IN FACILITATING THE PROPOSED PROJECTS AND WE MUST  
HAVE MORE DETAILS CONCERNING WHAT THEY HAVE IN MIND.

2. ALTHOUGH IT DOES NOT APPEAR IN THE BOUKLI LETTER OR THE

GOA DIPLOMATIC NOTE A KEY POINT IN BOUKLI'S CONVERSATION  
WITH ASSISTANT SECRETARY LONG WAS THE QUESTION OF FINANCING.

SINCE THERE IS VIRTUALLY NO POSSIBILITY OF PARTICIPATION  
BY THE EXIM BANK IN SUCH PROJECTS AT THIS TIME THERE IS  
LITTLE THAT THE USG WILL BE ABLE TO DO IN THE AREA OF  
FINANCING. ESSENTIALLY IT WOULD BE UP TO THE GOA AND THE  
FIRMS WITH WHICH IT SIGNS CONTRACTS TO WORK OUT CREDIT  
ARRANGEMENTS. COMMERCE IS WILLING, IF THE GOA SO DESIRES,  
TO MAKE PRELIMINARY INQUIRIES ABOUT THE EXTENT OF  
POTENTIAL INTEREST BY U.S. AGRIBUSINESS COMPANIES IN THE  
PROPOSED PROJECTS, INCLUDING THE POSSIBILITIES FOR  
ARRANGING FINANCING, BUT WE DO NOT SEE HOW THE USG COULD  
BE OF ANY FURTHER ASSISTANCE IN THIS AREA.

3. IF GIVEN THIS SITUATION, THE GOA IS INTERESTED IN  
DISCUSSING THE MATTER FURTHER WE WILL NEED MORE INFORMATION  
ABOUT THE DETAILS OF THEIR PROPOSALS. AGRICULTURE  
CAN SEND A REPRESENTATIVE TO ALGERIA TO EXPLORE THE  
MATTER AND HELP DEFINE REQUIREMENTS WITH GOA OFFICIALS.  
AGRICULTURE HAS NO FUNDS WHICH CAN BE USED FOR THIS  
PURPOSE BUT AID FUNDS UNDER SECTION 661 AUTHORITY CAN BE  
USED PROVIDED THERE IS A REASONABLE EXPECTATION OF FOLLOW-  
ON SECTION 607 INVOLVEMENT WITH A USG AGENCY ON A  
COUNTRY-FINANCED BASIS. (ARTICLE 507 DEALS WITH REIMBUR-  
SABLE TECHNICAL ASSISTANCE). EMBASSY CAN CONFIRM THIS  
EXPECTATION.

4. ANOTHER POSSIBILITY WOULD BE FOR EMBASSY TO DISCUSS THE  
PROPOSALS FURTHER WITH BOUKLI AND, IF THE RESULTS OF THESE  
DISCUSSIONS SO WARRANT, WE COULD THEN ARRANGE TO MEET  
WITH BOUKLI DURING HIS PLANNED VISIT TO THE U.S. LATER  
THIS SUMMER TO ELABORATE ON POSSIBILITIES FOR AN AGREEMENT.  
WHATEVER THE CASE WE NEED MORE INFORMATION ON THE  
SPECIFICS OF THE ALGERIAN PROPOSALS (FOR EXAMPLE,  
LOCATION OF PROJECTS, GOA AGENCIES INVOLVED (IN ADDITION  
TO MIN AG). AND IDENTITY OF FOREIGN FIRMS WHICH HAVE  
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ALREADY WORKED ON 20,000 HECTARE PROJECTS.)

5. EMBASSY IS AUTHORIZED TO DISCUSS INFORMATION AND  
PROPOSALS OUTLINED ABOVE WITH THE GOA IF AND WHEN IT DEEMS  
APPROPRIATE. ANY COMMENTS OR ALTERNATIVE SUGGESTIONS  
WHICH EMBASSY OR GOA HAVE WOULD BE APPRECIATED AND WILL  
BE GIVEN FULL CONSIDERATION. ROBINSON UNQUOTE  
KISSINGER

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<< END OF DOCUMENT >>

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 15 SEP 1999  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 29 JUL 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** SmithRJ  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976STATE157767  
**Document Source:** ADS  
**Document Unique ID:** 00  
**Drafter:** NEA/AFN:DLJAMESON  
**Enclosure:** n/a  
**Executive Order:** 11652 NA  
**Errors:** n/a  
**Film Number:** D760248-0131  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
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**Legacy Key:** link1976/newtext/t197607109/baaaepf.tel  
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**Locator:** TEXT ON-LINE, TEXT ON MICROFILM  
**Office:** ORIGIN NEA  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:**  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** SmithRJ  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 03 JUN 2004  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <03 JUN 2004 by ifshinsr>; APPROVED <01 OCT 2004 by SmithRJ>  
**Review Markings:**  

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
04 MAY 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** AGRIBUSINESS: ARID LAND DEVELOPMENT IN ALGERIA: TSS FOLLOWUP  
**TAGS:** BAGB, BEXP, AG  
**To:** TUNIS  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006